

This form will report compliance with your permit as determined by an NRW officer

Site	Tata Steel Port Talbot steelworks	Permit Ref	BL7108IM (as amended)
Operator/ Permit holder	Tata Steel UK Ltd		
Date	23 February 2016	Time in	09.30 Out 12.30
What parts of the permit were assessed	2015 NERP Verification		
Assessment	EPR - inspection	EPR Activity:	Installation X Waste Op Water Discharge
Recipient's name/position	Jason Heatman, Lead Environmental Engineer, Tata Steel Port Talbot		
Officers names	DMP Broom, DE Cowie and G Baskerville	Date issued	11/3/16

Section 1 - Compliance Assessment Summary

This is based on the requirements of the permit under the Environmental Permitting Regulations. A detailed explanation and any action you may need to take are given in the "Detailed Assessment of Compliance" (section 3). This summary details where we believe any non-compliance with the permit has occurred, the relevant condition and how the non-compliance has been categorised using our [Compliance Classification Scheme](#) (CCS). CCS scores can be consolidated or suspended, where appropriate, to reflect the impact of some non-compliances more accurately. For more details of our CCS scheme, contact your [local office](#).

Permit Conditions and Compliance Summary
Condition(s) breached

a) Permitted activities	1. Specified by permit	N	
b) Infrastructure	1. Engineering for prevention & control of pollution	N	
	2. Closure & decommissioning	N	
	3. Site drainage engineering (clean & foul)	N	
	4. Containment of stored materials	N	
	5. Plant and equipment	A	
c) General management	1. Staff competency/ training	N	
	2. Management system & operating procedures	N	
	3. Materials acceptance	N	
	4. Storage handling, labelling, segregation	N	
d) Incident management	1. Site security	N	
	2. Accident, emergency & incident planning	N	
e) Emissions	1. Air	A	
	2. Land & Groundwater	N	
	3. Surface water	N	
	4. Sewer	N	
	5. Waste	N	
f) Amenity	1. Odour	N	
	2. Noise	N	
	3. Dust/fibres/particulates	N	
	4. Pests, birds & scavengers	N	
	5. Deposits on road	N	
g) Monitoring and records, maintenance and reporting	1. Monitoring of emissions & environment	C3	3.6.4 Monitoring for IED
	2. Records of activity, site diary, journal & events	A	
	3. Maintenance records	N	
	4. Reporting & notification	C3	4.2.2 Reporting
h) Resource efficiency	1. Efficient use of raw materials	N	
	2. Energy	N	

KEY: C1, C2, C3, C4 = CCS breach category (* suspended scores are marked with an asterisk),
A = Assessed or assessed in part (no evidence of non-compliance), N = Not assessed, NA = Not Applicable

Number of breaches recorded	2	Total compliance score (see section 5 for scoring scheme)	8
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If the Total No Breaches is greater than zero, then please see Section 3 for details of our proposed enforcement response

Section 2 – Compliance Assessment Report Detail

This section contains a report of our findings and will usually include information on:

- the part(s) of the permit that were assessed (e.g. maintenance, training, combustion plant, etc)
- where the type of assessment was 'Data Review' details of the report/results triggering the assessment
- any non-compliances identified
- any non-compliances with directly applicable legislation
- details of any multiple non-compliances
- information on the compliance score accrued inc. details of suspended or consolidated scores.
- details of advice given
- any other areas of concern
- all actions requested
- any examples of good practice.
- a reference to photos taken

Site description

Tata Steel UK Ltd (Tata) operates an integrated iron and steel works at Port Talbot, Neath Port Talbot. The site is permitted as an installation under the Environmental Permitting Regulations (EPR). The steelworks has several identifiable permitted processes which are carried out sequentially across the installation to convert raw iron ores and coal to semi finished (slab) and finished steel products (such as hot rolled, pickled and oiled, cold rolled and annealed). The permit also covers coke making and the reception, stockpiling and blending of raw iron making materials. Two other companies, Cambrian Stone and Harsco, undertake separately-permitted slag handling and iron plating activities at the steelworks on Tata's behalf.

Purpose of visit/assessment

The UK operates a National Emissions Reduction Plan (NERP) for certain combustion plant. This plan covers the releases of sulphur dioxide (SO₂), oxides of nitrogen (NO_x) and particulate releases from qualifying plant. The purpose of this intervention was to review the operator's 2015 NERP data and the systems used at Port Talbot steelworks and to verify the submissions, if appropriate.

Person(s) present (Office based)

Tata Steel	Jason Heatman	NRW	Mark Broom
	Sean Langstone (NERP)		Doug Cowie
	Jamie-Ross Landeg		Guy Baskerville
	Karen Towell (NERP)		
	Georgina Brooks (Effluent)		

Each year the Environmental Regulator is required to verify the NERP submissions prior to trading (NERP Verification).

There are four large combustion plant (LCP) at Port Talbot steelworks that are within the NERP scheme and one boiler that is not (Boiler 3 - A62). A range of fuels are used to fire these boilers e.g. Heavy Fuel Oil (HFO), Blast Furnace Gas (BFG), Coke Oven Gas (COG), Natural Gas (NG) and now Basic Oxygen Steelmaking (BOS) gas. All the Continuous Emission Monitoring Systems (CEMS) in operation on these boiler plants are MCERTS* approved. Tata has entered all its qualifying combustion plant (i.e. all boilers except Boiler 3 which is ineligible) into the Industrial Emissions Directive (IED) Transitional National Plan (TNP) that will replace the NERP from 1 January 2016. So this year is the last year of NERP verification but there will be a similar verification requirement for the TNP returns and emissions. The TNP started on 1 January 2016 and will continue until 1 July 2020. Details of the TNP can be found at - <http://naturalresources.wales/how-we-regulate-you/industrial-emissions-directive-ied-combustion-plant/?lang=en>

LCP (Plant ID)	Nerp reference	TNP reference	PPC release point	Size (MWth)	BFG	COG	HFO	BOS	NG	CEMS Parts	CEMS SO ₂	CEMS NO _x	CEMS CO	CEMS flow	CEMS O ₂	CEMS H ₂ O
Boiler 6&7 (340)	61	93	A52	268	✓	✓	✓	✓	✓	✓	✓	✓	?	?	?	?
Mitchell Boiler (338)	59	91	A53	81	✓	✓	✓	✗	✓	✓	✗	✗	?	?	?	?
Boiler A5 (339)	60	92	A51	50	✓	✓	✓	✓	✓	✓	✗	✗	?	?	?	?
Service Boilers (337)	58	90	A50	114	✓	✓	✓	✗	✓	✓	✓	✓	?	?	?	?
Boiler 3 (73)	Not NERP but LCP 130	Not TNP	A62	70	✓	✗	✗	✓	✓	✓	✓	✓	?	?	?	?

Although Jason Heatman is the nominated site officer for the NERP returns, Jamie-Ross Landeg is in the process of taking over this role for the TNP regime. Bob Lewis (Corporate Emissions Trading Manager, Tata Steel UK Ltd) remains as the company's UK wide coordinator for NERP alongside his role managing EU ETS**.

During 2014 Tata had problems with its CODEL SO₂ and NO_x monitors on A52A (Boiler 6) and A52B (Boiler 7). These problems now appear to have been resolved and these monitors are currently in stable operation. According to Tata's data invalidation logs, the monitors for A52A (Boiler 6) and A52B (Boiler 7) have exceeded 10 invalid days in 2015 which Tata has reported as required by the permit condition 3.6.2 (formerly condition 2.10.8).

Condition 3.6.4 of Tata's permit specifies that CEN (European) standards must be used for any Large Combustion Plant (LCP). The Service Boilers (A50) and Boiler 3 (A62) have not been QAL tested this year to BS EN 14181. **This work needs to be completed by the end of 2016.** Any anticipated failure to complete this QAL testing during 2016 must be communicated to NRW as soon as practicable. The failure to carry out QAL testing during 2015 has attracted one **Category 3** compliance score.

Tata has found some problems with the Service Boilers CEMs. They have used the actual monitored releases for reporting purposes which are higher than the expected concentrations. This apparent 'overestimate' of the LCP emissions is precautionary and will not prevent verification of Tata's NERP data. NRW would not have been able to verify Tata's data had a non-precautionary approach been taken.

Tata are investing in remote data links for the Service Boilers CEMs which should help to diagnose any problems going forward. It should also mean that Tata will be able to complete QAL testing for these boilers. Boiler 3 is in a slightly different position; its CEMs need the test gases piped in to get the calibration system operating properly and then QAL work to BS EN 14181 can start. The pipework for the test gases should be in place by October 2016.

Tata thinks it may have a problem complying with the new IED emission limits (post-2020) for the Service Boilers when they run on a combination of HFO and COG. There is a relaxation in IED Chapter 3 – see [Article 30 paragraph 6](#) which allows temporary derogations for gas-only combustion plants to burn other fuels for up to 10 days without abatement. However Tata should consider how it defines start-up and shutdown for all its existing boilers. In recent IED Annex V-compliant permits for Large Combustion Plants, NRW and the other environmental regulators across the UK required operators to define start-up and shutdown for each LCP. The following link is the EU guidance on start-up and shutdown:

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32012D0249&from=EN>

There is other guidance available on this issue at the following link:

<http://www.energy-uk.org.uk/publication.html?task=file.download&id=5065>

Tata could consider linking certain boilers to the availability of BFG or other gases as one of their start-up criteria. The definition/interpretation of start-up and shutdown can be addressed through an improvement item in the next variation of Tata's steelworks permit.

Tata Steel Port Talbot uses Swinden Technology Lab's monitoring team to carry out the Annual Surveillance Testing (AST) on the combustion plant. Swinden are based in Rotherham and are accredited to ISO 14181 – certificate 037/8 dated 18 December 2015. See <http://www.ukas.org/testing/schedules/actual/0312Testing%20Multiple.pdf>

There was a slight problem with the certificate in that the front page specified issue number 037 and on the subsequent six pages the issue number was 038. This looks to be an administrative error but not on the part or within the control of Tata.

ASTs are scheduled for all boilers in 2016. The first round of testing is usually undertaken in April with the remaining boilers being assessed around June/July.

Tata had not submitted its annual AAE1 returns for its Port Talbot NERP plant specifying fuel use and emissions for 2015. Condition 4.2.2 requires this information to be reported to NRW by 28 January each year. This lack of reporting has attracted one **Category 3** compliance score. Once the AAE1 forms for the site have been submitted, Tata's NERP returns for 2015 can
CAR 2 V1.0

be verified.

The latest permit template for combustion plant requires by condition 3.6.6 that all ASTs and QALs reports have to be submitted to the regulator within 28 days of completion. NRW is looking at how it deals with this issue. The current plan is that it will carry out full audits of ASTs and QAL reports for Chapter 3 combustion plant. It is currently considering requiring for all Chapter 3 combustion plant as well as TNP plant to submit an annual TNP compliance summary V1 by the end of Quarter 1 (28/3/2016) for each year (and partial year) of the TNP.

From 1/1/2016 there is a TNP requirement to measure flow in addition to the oxygen, Carbon monoxide and water vapour in the waste gases from qualifying plant. These issues were not discussed during the inspection but have come to light more recently hence the lack of information in the table at the start of this section. This information needs to be collated for completeness (See Action 5).

Other matters

Tata has been examining its effluent monitoring and has queried the weekly monitoring for Biological Oxygen Demand (BOD) at emission point W1 (Long Sea Outfall). BOD analysis requires a 5-day test that is not carried out on site. If Tata can show a relationship between COD (Chemical Oxygen Demand) and BOD, then weekly BOD monitoring may not be required.

At a higher level NRW is considering how it applies emission limits for certain water pollutants in environmental permits and it is considering its position on BOD and suspended solids monitoring requirements for discharges into the sea. Further information will be cascaded to Tata Steel as NRW develops its position.

Conclusions and further actions required

1. Natural Resources Wales (NRW) to verify the existing plant NERP/LCP Forms for the relevant combustion processes based on the information submitted and pending completion of Action 2 by Tata Steel.
2. Tata Steel to submit the AAE1 forms for the NERP boilers as soon as possible to NRW and the NERP registry.
3. Tata Steel needs to ensure that the Service Boilers and Boiler 3 comply with BS EN 14181 by the end of 2016.
4. NRW to clarify the reporting requirements for ASTs and QALs
5. Tata to clarify the CEMs information in the first table in this report.

[END OF SECTION 2]

**MCERTS is the Environment Agency's Monitoring Certification Scheme. It provides the framework for businesses to meet the regulator's quality requirements. If businesses can comply with MCERTS it provides the regulator with confidence in the monitoring of emissions to the environment. MCERTS is used to approve instruments, people and laboratories.*

***The EU Emissions Trading System (EU ETS) is the largest greenhouse gas emissions trading system in the world covering many different business sectors. These include oil refineries, offshore platforms and industries that produce iron and steel, cement and lime, paper, glass, ceramics and chemicals.*

	EPR Compliance Assessment Report	Report ID: 06116
This form will report non-compliance with your permit as determined by an NRW officer		
Site	Tata Steel Port Talbot steelworks	Permit
Operator/ Permit	Tata Steel UK Ltd	Date
		BL7108IM (as amended) 11/3/16

Section 3- Enforcement Response		Only one of the boxes below should be ticked
You must take immediate action to rectify any non-compliance and prevent repetition. Non-compliance with your permit conditions constitutes an offence and can result in criminal prosecutions and/or suspension or revocation of a permit. Please read the detailed assessment in Section 2 and the steps you need to take in Section 4 below.		
Other than the provision of advice and guidance, at present we do not intend to take further enforcement action in respect of the non-compliance identified above. This does not preclude us from taking enforcement action if further relevant information comes to light or advice isn't followed.		n/a
In respect of the above non-compliance you have been issued with a warning. At present we do not intend to take further enforcement action. This does not preclude us from taking additional enforcement action if further relevant information comes to light or offences continue.		✓
We will now consider what enforcement action is appropriate and notify you, referencing this form.		n/a

Section 4- Action(s)			
Where a non - compliance has been detected and an enforcement response has been selected above, this section summarises the steps you need to take to return to compliance and also provides timescales for this to be done.			
Criteria Ref.	CCS Category	Action Required/Advised	Due Date
See Section 1 above			
G4	C3	Action 1: Tata to submit the AAE1 forms for the NERP boilers as soon as possible to NRW and the NERP registry	ASAP
-	N/A	Action 2: Natural Resources Wales (NRW) to verify the existing plant NERP/LCP Forms for the relevant combustion processes based on the information presented and once Tata has submitted its AAE1 forms.	By 28/02/2016
G1	C3	Action 3: Tata needs to ensure that the Service Boilers and Boiler 3 comply with BS EN 14181 by the end of this year.	By 31/12/2016
-	N/A	Recommendation: Tata to review the guidance on start-up and shutdown criteria for Large Combustion Plant to see how this can be applied to its combustion plant at Port Talbot steelworks.	N/A
-	-	Action 4: NRW to clarify the TNP monitoring reporting requirements for ASTs and QALs	28/3/2016
-	-	Action 5: Tata to clarify the CEMs information in the first table in this report	Q2 2016

Section 5 - Compliance notes for the Operator

To ensure you correct actual or potential non-compliance we may

- advise on corrective actions verbally or in writing
- require you to take specific actions in writing
- issue a notice
- require you to review your procedures or management system
- change some of the conditions of your permit
- decide to undertake a full review of your permit

Any breach of a permit condition is an offence and we may take legal action against you.

- We will normally provide advice and guidance to assist you to come back into compliance either after an offence is committed or where we consider that an offence is likely to be committed. This is without prejudice to any other enforcement response that we consider may be required.
- Enforcement action can include the issue of a formal caution, prosecution, the service of a notice and or suspension or revocation of the permit.

See our Enforcement and Civil Sanctions guidance for further information

This report does not relieve the site operator of the responsibility to

- ensure you comply with the conditions of the permit at all times and prevent pollution of the environment
- ensure you comply with other legislative provisions which may apply.

Non-compliance scores and categories

CCS category	Description	Score
C1	A non-compliance which could have a major environmental effect	60
C2	A non-compliance which could have a significant environmental effect	31
C3	A non-compliance which could have a minor environmental effect	4
C4	A non-compliance which has no potential environmental effect	0.1

Operational Risk Appraisal (Opra) - Compliance assessment findings may affect your Opra score and/or your charges. This score influences the resource we use to assess permit compliance.

Section 6 – General Information

Data protection notice

The information on this form will be processed by Natural Resources Wales (NRW) to fulfill its regulatory and monitoring functions and to maintain the relevant public register(s). NRW may also use and/or disclose it in connection with:

- offering/providing you with its literature/services relating to environmental matters
- consulting with the public, public bodies and other organisations (e.g. Health and Safety Executive, local authorities) on environmental issues
- carrying out statistical analysis, research and development on environmental issues
- providing public register information to enquirers
- investigating possible breaches of environmental law and taking any resulting action
- preventing breaches of environmental law
- assessing customer service satisfaction and improving its service
- Freedom of Information Act/Environmental Information Regulations request.

NRW may pass it on to its agents/representatives to do these things on its behalf. You should ensure that any persons named on this form are informed of the contents of this data protection notice.

Disclosure of information

NRW will provide a copy of this report to the public register(s). However, if you consider that any information contained in this report should not be released to the public register(s) on the grounds of commercial confidentiality, you must write to your local area office within twenty working days of receipt of this form indicating which information it concerns and why it should not be released, giving your reasons in full.

Customer charter

What can I do if I disagree with this compliance assessment report?

If you are unable to resolve the issue with your site officer, you should firstly discuss the matter with the officer's line managers. If you wish to raise your dispute further through our official **Complaints** and Commendations procedure, phone our general enquiry number **0300 065 3000** (Mon to Fri **08.00–18.00**) and ask for the **Customer Contact team** or send an email to enquiries@naturalresourceswales.gov.uk. If you are still dissatisfied you can make a complaint to the Public Services Ombudsman for Wales. For advice on how to complain to the Ombudsman phone their helpline on **(0845) 601 0987**.